



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/812,639

03/20/2001

Michael R. Levine

LVN-08602/03

1113

25006

7590

02/15/2008

GIFFORD, KRASS, SPRINKLE, ANDERSON & CITKOWSKI, P.C

PO BOX 7021

TROY, MI 48007-7021

EXAMINER

KOPPIKAR, VIVEK D

ART UNIT

PAPER NUMBER

3626

MAIL DATE

DELIVERY MODE

02/15/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

1 UNITED STATES PATENT AND TRADEMARK OFFICE

2
3
4 BEFORE THE BOARD OF PATENT APPEALS
5 AND INTERFERENCES
6

7
8 *Ex parte* MICHAEL R. LEVINE
9

10
11 Appeal 2007-2595
12 Application 09/812,639
13 Technology Center 3600
14

15
16 Decided: February 15, 2008
17

18
19 Before WILLIAM F. PATE, III, HUBERT C. LORIN, and
20 ANTON W. FETTING, *Administrative Patent Judges*.
21 FETTING, *Administrative Patent Judge*.

22 DECISION ON APPEAL
23

24 STATEMENT OF CASE

25 Michael R. Levine (Appellant) seeks review under 35 U.S.C. § 134 of a final
26 rejection of claims 2, 3, and 5-12, the only claims pending in the application on
27 appeal.

28 We have jurisdiction over the appeal pursuant to 35 U.S.C. § 6(b) (2002).

29
30 We AFFIRM.

31 The Appellant invented a method of payment for a healthcare service
32 (Specification 1:6-7).

1 An understanding of the invention can be derived from a reading of exemplary
2 claim 5, which is reproduced below [bracketed matter and some paragraphing
3 added].

4 5. A method of payment for a healthcare service, said method
5 comprising the steps of:

6 [1] contracting

7 between a healthcare provider and an intermediary
8 for the healthcare provider
9 to perform services

10 for a healthcare user contracting with the
11 intermediary and

12 receive a fee

13 for such services

14 discounted relative to fees charged by the
15 healthcare provider to other parties;

16 [2] contracting

17 between a healthcare user and the intermediary

18 for the healthcare user to pay the healthcare provider

19 when the healthcare service is performed

20 with a healthcare credit card issued by the
21 intermediary;

22 [3] receiving

23 by the healthcare user

24 a healthcare service from the healthcare provider;

25 [4] the healthcare user charging

26 the discounted fee

27 for the healthcare service

28 using the healthcare credit card;

[5] subsequently paying
the healthcare provider
by the intermediary
according to the contract between the healthcare provider and
the intermediary
for the healthcare service charged to the healthcare credit card;
and

[6] subsequently paying
the intermediary
by the healthcare user
according to the contract between the healthcare user and the
intermediary.

This appeal arises from the Examiner's Final Rejection, mailed March 21, 2006. The Appellant filed an Appeal Brief in support of the appeal on August 1, 2006. An Examiner's Answer to the Appeal Brief was mailed on September 15, 2006. The Appellants presented oral arguments at a hearing on January 23, 2008.

PRIOR ART

The Examiner relies upon the following prior art:

Volz, David, "Alternative care; Membership network offers uninsured a choice," *Modern Physician*, August 1999, pp. 40.

Anonymous, (Health Care), "The issuers of health-care cards sense an era of healthy growth," Credit Card News, Chicago, IL, 6/15/1994, p.5

Anonymous, (Simple Care), "Information Available at the website of SimpleCare," presumably www.simplecare.com on 9/27/1999

Anonymous, (M&T), "M&T Bank NA launches its 5th cobranded credit card and 3rd supermarket card in 10 months," Card Fax, Vol. 96, No. 27, p.2, February 12, 1996, from Dialog File 9

REJECTION

Claims 2, 3, and 5-12 stand rejected under 35 U.S.C. § 103(a) as unpatentable over Volz, Health Care, Simple Care, and M&T.

ISSUES

The issue pertinent to this appeal is whether the Appellant has sustained its burden of showing that the Examiner erred in rejecting claims 2, 3, and 5-12 under 35 U.S.C. § 103(a) as unpatentable over Volz, Health Care, Simple Care, and M&T.

The pertinent issue turns on whether it was obvious to combine a healthcare credit card with a network of healthcare providers offering discounted services, and whether such a combination would have yielded the claimed subject matter.

FACTS PERTINENT TO THE ISSUES

The following enumerated Findings of Fact (FF) are supported by a preponderance of the evidence.

Volz

01. Volz is directed toward a healthcare provider network (North America Care or NAC) that, for a monthly fee, entitles members to discounted fee-for-service rates from any physician in the network (Volz, left column, second ¶).¹

¹ The copy of Volz provided in the record is a two column article, split into two pages. The left hand column on the first page flows into the left hand column of the second page. The same flow holds for the right hand column.

02. Volz acts as an intermediary between healthcare users and providers and contracts with each so that users receive discounted services when using the NAC network (Volz, left column, second ¶).

03. NAC pays the provider subsequent to receiving care (Volz, right column, fourth ¶).

HealthCare

04. HealthCare is directed toward health-care cards that are signing up ever increasing numbers of doctors and dentists as merchants that allow patients to finance service payments (HealthCare: Abstract).

05. Thus, the healthcare user uses a credit card issued by an intermediary to pay the healthcare provider by charging the amount for service to the card and paying the intermediary subsequent to receiving service.

06. Although HealthCare generally refers to providers paying discount fees to the intermediary rather than offering discount rates to the user, HealthCare describes one intermediary signing up providers who will offer discount rates to the users (HealthCare 3:Top ¶).

SimpleCare

07. SimpleCare is directed toward a program that provides a format for patients without current health care insurance to access health care providers that provide a service at a fee that takes out the administrative costs estimated at about 30% and directly passes this savings on to the consumer (SimpleCare 1:Bottom ¶).

08. SimpleCare allows healthcare users to finance their healthcare services by paying with a credit card (SimpleCare 2:SimpleCare is about value)

09. SimpleCare portrays a web site 1) providing the healthcare user access to a website hosted by the intermediary on a computer network; 2) identifying the healthcare user accessing the healthcare website; 3) providing the identified healthcare user access to a web page containing healthcare providers contracting with the intermediary; and 4) selecting by the healthcare user a healthcare provider from the contracting healthcare providers (SimpleCare 6-9).

10. The Appellant does not contend that SimpleCare fails to describe these elements.

M&T

11. M&T is directed toward describing a credit card that provides discounts in the form of rebates on all goods and services charged to the card.

PRINCIPLES OF LAW

Claim Construction

During examination of a patent application, pending claims are given their broadest reasonable construction consistent with the Specification.

In re Prater, 415 F.2d 1393, 1404-05 (CCPA 1969); *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1364, (Fed. Cir. 2004).

Limitations appearing in the Specification but not recited in the claim are not read into the claim. *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369 (Fed.

1 Cir. 2003) (claims must be interpreted “in view of the specification” without
2 importing limitations from the Specification into the claims unnecessarily)

3 Although a patent applicant is entitled to be his or her own lexicographer of
4 patent claim terms, in *ex parte* prosecution it must be within limits. *In re Corr*,
5 347 F.2d 578, 580 (CCPA 1965). The applicant must do so by placing such
6 definitions in the Specification with sufficient clarity to provide a person of
7 ordinary skill in the art with clear and precise notice of the meaning that is to be
8 construed. *See also In re Paulsen*, 30 F.3d 1475, 1480 (Fed. Cir. 1994) (although
9 an inventor is free to define the specific terms used to describe the invention, this
10 must be done with reasonable clarity, deliberateness, and precision; where an
11 inventor chooses to give terms uncommon meanings, the inventor must set out any
12 uncommon definition in some manner within the patent disclosure so as to give
13 one of ordinary skill in the art notice of the change).

14 *Obviousness*

15 A claimed invention is unpatentable if the differences between it and the
16 prior art are “such that the subject matter as a whole would have been obvious at
17 the time the invention was made to a person having ordinary skill in the art.” 35
18 U.S.C. § 103(a) (2000); *KSR Int’l v. Teleflex Inc.*, 127 S.Ct. 1727 (2007); *Graham*
19 *v. John Deere Co.*, 383 U.S. 1, 13-14 (1966).

20 In *Graham*, the Court held that that the obviousness analysis is bottomed on
21 several basic factual inquiries: “[(1)] the scope and content of the prior art are to be
22 determined; [(2)] differences between the prior art and the claims at issue are to be
23 ascertained; and [(3)] the level of ordinary skill in the pertinent art resolved.” 383
24 U.S. at 17. *See also KSR Int’l v. Teleflex Inc.*, 127 S.Ct. at 1734. “The
25 combination of familiar elements according to known methods is likely to be
26 obvious when it does no more than yield predictable results.” *KSR*, at 1739.

1 to charge to a credit card, and that M&T describes a credit card that provides
2 discounts for its use (Answer 4-6).

3 The Appellant contends that (1) Volz requires the healthcare user to fully pay
4 for the services before they are performed, so there is no financing of the services
5 (Br. 5:First full ¶ – 6:Top ¶); (2) Volz requires an estimate of the cost of the service
6 and payment of the full value of the estimate before the services are performed (Br.
7 6:First full ¶); (3) Volz does not have the healthcare provider extend credit for the
8 service provided to the healthcare user (Br. 6:Second full ¶) ; (4) there appears to
9 be no contract between the intermediary and the healthcare providers in Healthcare
10 for a discounted fee relative to the fees charged to others (Br. 6:Bottom ¶); and (5)
11 Volz and HealthCare are totally incompatible with one another and there is no
12 suggestion in the references of combining their features (Br. 7:First ¶).

13 *(1) Volz requires the healthcare user to fully pay for the services before they are*
14 *performed, so there is no financing of the services*

15 The Examiner is not relying on Volz to describe financing of services. One
16 cannot show nonobviousness by attacking references individually where the
17 rejections are based on combinations of references. *In re Keller*, 642 F.2d 413, 426
18 (CCPA 1981).

19 We find that both HealthCare and SimpleCare describe financing of healthcare
20 services (FF 04, 05, & 08). Both also describe discounts for using their network
21 (FF 06 & 07).

22 *(2) Volz requires an estimate of the cost of the service and payment of the full*
23 *value of the estimate before the services are performed*

24 The Examiner is not relying on Volz to describe financing of services.
25 Whether Volz requires an estimate is irrelevant since the claim does not require the
26 absence of an estimate. The Appellant has not contended that this is evidence for

1 secondary considerations. Again, as we found *supra*, both HealthCare and
2 SimpleCare describe financing of healthcare services.

3 *(3) Volz does not have the healthcare provider extend credit for the service*
4 *provided to the healthcare user*

5 The Examiner is not relying on Volz to describe extending credit to the user for
6 services. However, Volz does describe extending credit for services, to the
7 intermediary, until paid by the intermediary subsequent to service (FF 03). The
8 Examiner is not relying on Volz to describe financing of services. Again, as we
9 found *supra*, both HealthCare and SimpleCare describe financing of healthcare
10 services.

11 *(4) there appears to be no contract between the intermediary and the healthcare*
12 *providers in Healthcare for a discounted fee relative to the fees charged to others*

13 Although HealthCare generally refers to providers paying discount fees to the
14 intermediary rather than offering discount rates to the user, HealthCare describes
15 one intermediary signing up providers who will offer discount rates to the users
16 (FF 06). Both Volz and SimpleCare describe offering discounted fees relative to
17 fees charged to others outside their network (FF 01, 02, & 07). Each of Volz,
18 HealthCare, and SimpleCare describe the providers as being in the intermediary's
19 network, which implies an agreement by both the intermediary and provider, and
20 thus a contract. Although M&T is not restricted to healthcare services, it does
21 describe having a discount offered for services charged using its card (FF 11).

22 *(5) Volz and HealthCare are totally incompatible with one another and there is no*
23 *suggestion in the references of combining their features*

24 "The test for obviousness is not whether the features of a secondary reference
25 may be bodily incorporated into the structure of the primary reference.... Rather,

1 the test is what the combined teachings of those references would have suggested
2 to those of ordinary skill in the art." *In re Keller*, 642 F.2d 413, 425 (CCPA 1981).

3 SimpleCare demonstrates that Volz and HealthCare could be combined by
4 simply providing HealthCare's card as a payment mechanism at Volz's time of
5 payment (FF 08).

6 As to the suggestion to combine Volz and HealthCare, "[t]he combination of
7 familiar elements according to known methods is likely to be obvious when it does
8 no more than yield predictable results." *KSR*, 127 S. Ct. at 1739.

9 The obviousness analysis cannot be confined by a
10 formalistic conception of the words teaching, suggestion,
11 and motivation, or by overemphasis on the importance of
12 published articles and the explicit content of issued
13 patents. The diversity of inventive pursuits and of
14 modern technology counsels against limiting the analysis
15 in this way. In many fields it may be that there is little
16 discussion of obvious techniques or combinations, and it
17 often may be the case that market demand, rather than
18 scientific literature, will drive design trends.

19 *id.* at 1741. Further, SimpleCare's description of using a credit card at the time
20 of payment would have suggested combining HealthCare's credit card with Volz's
21 healthcare discount network.

22 *Other Arguments*

23 The Appellant further argues that neither Volz nor HealthCare explicitly
24 disclose the following features of the claims: 1) providing the healthcare user
25 access to a website hosted by the intermediary on a computer network; 2)
26 identifying the healthcare user accessing the healthcare website; 3) providing the
27 identified healthcare user access to a web page containing healthcare providers
28 contracting with the intermediary; and 4) selecting by the healthcare user a

1 healthcare provider from the contracting healthcare providers (Br. 7:Second ¶ -
2 8:Top ¶).

3 These limitations do not appear in claim 5. These limitations appear in claim
4 9, which the Appellant has not clearly argued separately. However, as the
5 Appellant indicated in oral argument, this may be only because the Examiner did
6 not clearly separate the findings between claims 5 and 9. Therefore, we will
7 address this argument.

8 We find that the Appellant does not argue that SimpleCare does not describe
9 these elements (FF 10), as found by the Examiner, but only that SimpleCare does
10 not appear to be an intermediary who will pay the provider (Br. 8:Top ¶).

11 We first find that the Examiner was correct that SimpleCare describes these
12 limitations (FF 09). We next find that although SimpleCare does not itself act as a
13 financing intermediary, it does act as an intermediary for bringing providers and
14 users together at discounted rates and allows another credit card provider to
15 provide the financing. “The combination of familiar elements according to known
16 methods is likely to be obvious when it does no more than yield predictable
17 results.” *KSR* at 1739. Thus, SimpleCare suggests combining a healthcare provider
18 network offering discounted services with a financial intermediary.

19 The Appellant has not sustained its burden of showing that the Examiner erred
20 in rejecting claims 2, 3, and 5-12 under 35 U.S.C. § 103(a) as unpatentable over
21 Volz, Health Care, Simple Care, and M&T.

CONCLUSIONS OF LAW

The Appellant has not sustained its burden of showing that the Examiner erred in rejecting claims 2, 3, and 5-12 under 35 U.S.C. § 103(a) as unpatentable over the prior art.

On this record, the Appellant is not entitled to a patent containing claims 2, 3, and 5-12.

DECISION

To summarize, our decision is as follows:

- The rejection of claims 2, 3, and 5-12 under 35 U.S.C. § 103(a) as unpatentable over Volz, Health Care, Simple Care, and M&T is sustained.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED

jlb

Gifford, Krass, Sprinkle, Anderson & Citkowski, P.C.
P.O. Box 7021
Troy, MI 48007-7021